

## REQUEST FOR COUNCIL ACTION

MEETING

DATE: 7/21/03

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<b>AGENDA SECTION:</b> Reports & Recommendations:	<b>ORIGINATING DEPT:</b> CITY ADMINISTRATOR	<b>ITEM NO.</b> F-2
<b>ITEM DESCRIPTION:</b> Development Assistance Agreement with Bigelow & Sons Enterprises Inc. for the single family home construction in Kingsbury Hills Third Subd.		<b>PREPARED BY:</b> T.SPAETH

A Development Assistance Agreement between the City of Rochester and Joel Bigelow & Sons Enterprises, Inc. has been prepared for the construction of owner occupied single family dwellings on 10 lots located in Kingsbury Hills Third Subdivision. The Council previously approved establishment of a tax increment financing district in this subdivision. The major points within the Development Agreement are as follows:

**Responsibilities of the Builder:** The builder is responsible for the construction of 10 single family owner occupied homes on the 10 lots within the TIF district. Commencing of construction activities is to take place by October 1, 2003 and be substantially completed by August 1, 2006. The homes must be sold to an eligible homebuyer that meets both the "First Homes" eligibility requirements, along with the City's income eligibility requirements.

**City's Responsibility:** The Council has agreed to provide a total of \$100,000 in assistance. The assistance is to be provided "up front", and by that I mean that the City will pay Bigelow Enterprises \$ 10,000 / lot (total \$100,000) at the time that Bigelow Enterprises sells the completed home to an eligible homebuyer.

### **COUNCIL ACTION REQUESTED:**

Council authorization for the execution of a Development Agreement with Joel Bigelow & Sons Enterprises, Inc. by the Mayor & City Clerk for the Kingsbury Hills Phase 3 Tax Increment Financing project

**\*\* Please note that a copy of the Development Agreement has not been included in the Council packet due to its length and the fact that it is essentially the same as previously approved "First Homes" development Agreements.**

**COUNCIL ACTION:** Motion by: \_\_\_\_\_ Second by: \_\_\_\_\_ to:

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